AMENDED IN ASSEMBLY AUGUST 17, 1998

AMENDED IN ASSEMBLY JULY 30, 1998

AMENDED IN ASSEMBLY JULY 8, 1998

AMENDED IN ASSEMBLY JUNE 17, 1998

AMENDED IN SENATE MAY 19, 1998

AMENDED IN SENATE APRIL 14, 1998

SENATE BILL

No. 1916

Introduced by Senator Sher

February 19, 1998

An act to amend Sections 25173.6, 25173.7, 25205.15, 25244.13, 25244.14, 25244.22, and 57000 of, and to add Sections 25244.15.1, 25244.17.1, 25244.17.2, 25244.24, and 57007 to, the Health and Safety Code, relating to environmental protection.

LEGISLATIVE COUNSEL'S DIGEST

- SB 1916, as amended, Sher. Hazardous waste source reduction: toxic chemical releases.
- (1) Existing law, the Environmental Cleanup and Reform Act of 1997, creates the Toxic Substances Control Account in the General Fund, as of July 1, 1998, and requires specified funds to be deposited in that account. The funds deposited in the account are appropriated to the Department of Toxic Substances Control for specified purposes, including, things, unified hazardous other the waste among and hazardous materials management program. Existing law

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a statement of legislative intent concerning the makes appropriation of funds from the account by the annual Budget Act, including a statement that it is the intent of the Legislature to appropriate not more than \$1,200,000 for the purpose of implementing the unified program. Existing law, the Environmental Cleanup and Fee Reform Act of 1997, creates the Toxic Substances Control Account in the General Fund, as of July 1, 1998, and requires that specified funds be deposited in that account, including the charge imposed on hazardous materials. The corporations handling funds deposited in the Toxic Substances Control Account specified appropriated to the department for purposes, including, among other things, the unified hazardous waste and hazardous materials management program.

This bill would allow the funds in the Toxic Substances Control Account to be appropriated for the unified hazardous waste and hazardous materials management program only until June 30, 1999.

The bill would revise the statement of legislative intent to delete the statement regarding the appropriation of funds in the account for the unified hazardous waste and hazardous materials management program and would additionally state that it is the intent of the Legislature to appropriate not less than \$1,050,000, in the annual Budget Act, commencing with the 1999–2000 fiscal year, to establish and implement a specified program to encourage hazardous waste generators to implement pollution prevention measures.

(2) Existing law requires a specified fee to be paid for each manifest form used before June 30, 1998, except as specified, and requires the department to impose a specified manifest fee system after June 30, 1998, that excludes certain wastes that are recycled. A failure to pay these fees is a crime, pursuant to other provisions of law. Existing law requires the department to annually expend \$1,050,000, commencing with 1999–2000 fiscal year, upon appropriation the manifest fees deposited Legislature, from the Hazardous Waste Control Account, to encourage hazardous implement pollution waste generators to prevention measures.

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This bill would repeal the requirement that funds be expended from the manifest fees deposited in the Hazardous Waste Control Account for pollution prevention measures.

This bill would revise the payment requirements for the manifest fee system and would instead require the department to implement a system by July 1, 2000, that distinguishes between manifests used solely for transporting hazardous wastes that are recycled and manifests used for transporting waste for any other purpose. Since a failure to pay these charges would be a crime, the bill would impose a state-mandated local program by creating new crimes.

(3) Existing law, the Hazardous Waste Source Reduction and Management Review Act of 1989, requires specified generators of hazardous waste to maintain certain plans and reports, and summaries with regard to hazardous waste reduction practices. The Director of Toxic Substances Control is required to submit a biennial report of the department's implementation of the act.

This bill would create the California Source Reduction Advisory Committee, with a specified membership, would provide for the duties of the committee, including evaluating the progress of the department's source reduction program. The bill would provide for the operation of the advisory committee until April 15, 2002, and after that date only if the department makes a specified determination. The bill would require the department to establish a technical assistance and outreach program to promote implementation of model source reduction measures in priority industry categories, as specified, and to expand the department's provide reduction program source source to training and resources to certified unified program agencies, development corporations. small business business environmental assistance centers, and other regional environmental government assistance programs provide technical assistance to generators in identifying and applying methods of source reduction.

This bill would delete the requirement for the biennial report and would instead require the department, by May 1, 2000, and on or before January 15, every other year thereafter, to prepare a draft work plan, in consultation with the advisory

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committee to implement the act and to finalize that work plan by June 15, 2000, and by April 1 every other year thereafter. The bill would provide for the information required to be included in the work plan, including an outline of the department's operations and activities proposed for the next 2-year period. The bill would require the department, on or before October 1, 2000, in consultation with the advisory committee, to conduct an inventory and analysis of existing low-cost voluntary programs, specified, as to generation and hazardous waste other environmental releases of toxic chemicals. The bill would also require the department, in consultation with the advisory committee, large businesses, and the public, to develop a low-cost voluntary program to further reduce the generation of hazardous waste by large businesses in California, as specified. The bill would provide, however, that, if on the basis of the inventory and analysis, the department finds that it is not possible to design and implement, at relatively low cost, a program promote cooperative voluntary to relationships between California business and the department, creating a significant environmental benefit, and the advisory committee concurs, the department would not be required to implement the program.

- (4) This bill would incorporate changes to Section 25205.15 of the Health and Safety Code proposed by both this bill and AB 2067 that would only become operative if both bills are enacted and become effective on or before January 1, 1999, each bill amend that section, and this bill is chaptered last.
- (5) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

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The people of the State of California do enact as follows:

SECTION 1. The purpose of this act is to provide direction and oversight to the Department of Toxic Substances Control for expenditure of one million fifty thousand dollars (\$1,050,000) to be appropriated in the annual Budget Act commencing with the 1999-2000 fiscal expanded implementation of programs encourage hazardous waste generators to implement pollution prevention measures. It is the intent of the 9 Legislature that these funds be used to expand the 10 department's source reduction activities beyond existing 11 activities associated with the preparation of source 12 reduction evaluation reviews and plans and to encompass technical assistance and outreach activities on a larger 13 scale for selected industry categories. 14 15

- SEC. 2. Section 25173.6 of the Health and Safety Code 16 is amended to read:
- 25173.6. (a) There is in the General Fund the Toxic Substances Control Account, which shall be administered by the director. In addition to any other money that may 19 20 be appropriated by the Legislature to the Substances Control Account, all of the following shall be 21 deposited in the account:
 - (1) The fees collected pursuant to Section 25205.6.

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- (2) The fees collected pursuant to Section 25187.2, to the extent that those fees are for oversight of a removal remedial action taken under Chapter or 6.8 (commencing with Section 25300) or Chapter (commencing with Section 25396).
- (3) Any fines or penalties collected pursuant to this 29 30 chapter, Chapter 6.8 (commencing with Section 25300) 31 or Chapter 6.85 (commencing with Section 25396), 32 except as directed otherwise by Section 25192.
- 33 (4) Any interest earned upon money deposited in the 34 Toxic Substances Control Account.
- (5) All money recovered pursuant to Section 25360, 35 except recoveries of amounts paid from the Hazardous 37 Substance Cleanup Fund.
 - (6) All money recovered pursuant to Section 25380.

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(7) Any reimbursements for funds expended from the Toxic Substances Control Account for services provided by the department, including, but not limited reimbursements required pursuant to Sections 25201.9 5 and 25343.

- (8) Any money received from the federal government 6 pursuant to the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 U.S.C. Sec. 9601, et seq.).
- (9) Any money received from responsible parties for 10 remedial action or removal at a specific site, except as otherwise provided by law. 12
- (b) The funds deposited in the Toxic Substances 13 14 Control Account may be appropriated to the department 15 for the following purposes:
 - (1) The administration and implementation of the following:
- 18 (A) Chapter 6.8 (commencing with Section 25300), 19 except that no funds may be expended from the Toxic 20 Substances Control Account for purposes of Section 21 25354.5.
- 22 (B) Chapter 6.85 (commencing with Section 25396).
- 23 (C) Chapter 6.11 (commencing with Section 25404), 24 on and before June 30, 1999.
- (D) Article 10 (commencing with Section 7710) of 26 Chapter 1 of Division 4 of the Public Utilities Code, to the extent the department delegated has been 28 responsibilities by the secretary for implementing that article.
- 30 (2) The administration of the following units within 31 the department:
- 32 (A) The Human and Ecological Risk Division.
 - (B) The Hazardous Materials Laboratory.
- 34 (C) The Office Pollution Prevention of and Technology Development. 35
- (3) For allocation to the Office of Environmental 36 37 Health Hazard Assessment, pursuant to an interagency agreement, assist the department as needed in 38 to administering the programs described in subparagraphs
- 40 (A) and (B) of paragraph (1).

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(4) For allocation to the State Board of Equalization to pay refunds of fees collected pursuant to Section 43054 of the Revenue and Taxation Code.

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- (5) For the state share mandated pursuant paragraph (3) of subsection (c) of Section 104 of the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42) U.S.C. Sec. 9404(c)(3)).
- (6) For the purchase by the state, or by any local 10 agency with the prior approval of the director, of hazardous substance response equipment and preparations for response to a release of hazardous substances. However, all equipment shall be purchased in cost-effective manner after consideration adequacy of existing equipment owned by the state or the local agency, and the availability of equipment owned by 16 private contractors.
- (7) For payment of all costs of removal and remedial action incurred by the state, or by any local agency with the approval of the director, in response to a release or threatened release of a hazardous substance, to the extent the costs are not reimbursed by the federal Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended (42 25 U.S.C. Sec. 9601, et seq.).
 - (8) For payment of all costs of actions taken pursuant to subdivision (b) of Section 25358.3, to the extent that these costs are not paid by the federal Comprehensive Environmental Response, Compensation, Act of 1980, as amended (42 U.S.C. Sec. 9601, et seq.).
- (9) For all costs incurred by the department in 32 cooperation with the Agency for Toxic Substances and Disease Registry established pursuant to subsection (i) of 104 federal 34 Section of the Comprehensive 35 Environmental Response, Compensation, and Liability 36 Act of 1980, as amended (42 U.S.C. Sec. 9604(i)) and all costs of health effects studies undertaken regarding 37 specific sites or specific substances at specific sites. Funds 38 appropriated for this purpose shall not exceed five hundred thousand dollars (\$500,000) in any single fiscal

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However, these actions shall vear. not duplicate reasonably available federal actions and studies.

- (10) For repayment of the principal of, and interest on, bonds sold pursuant to Article 7.5 (commencing with 5 Section 25385).
 - (11) For the reasonable and necessary administrative costs and expenses of the Hazardous Substance Cleanup Arbitration Panel created pursuant to Section 25356.2.
 - (12) Direct site remediation costs.
- 10 (13) For the department's expenses for staff perform oversight of investigations, characterizations, 12 removals, remediations, or long-term operation 13 maintenance.
- (14) For the administration and collection of the fees 15 imposed pursuant to Section 25205.6.
- (c) The funds deposited in the Toxic Substances 16 17 Control Account may be appropriated by the Legislature 18 to the office of the Attorney General for the support of the 19 Toxic Substance Enforcement Program in the office of 20 the Attorney General, in carrying out the purposes of 6.8 (commencing with Section 25300) and 21 Chapter 22 Chapter 6.85 (commencing with Section 25396). 23 Expenditures for the purposes of this subdivision are not 24 subject to an interagency or interdepartmental 25 agreement.
- (d) The director shall expend federal funds in the 26 27 Toxic Substances Control Account consistent with the 28 requirements specified in Section 114 of the federal 29 Comprehensive Environmental Response. 30 Compensation, and Liability Act of 1980, as amended (42 31 U.S.C. Sec. 9601), upon appropriation by the Legislature, 32 for the purposes for which they were provided to the 33 state.
- 34 (e) Money in the Toxic Substances Control Account 35 shall not be expended to conduct removal or remedial 36 actions if any significant portion of the hazardous substances to be removed or remedied originated from a 37 38 source outside the state.
- (f) The Director of Finance, upon request of the 39 director, may make a loan from the General Fund to the

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Toxic Substances Control Account to meet cash needs. The loan shall be subject to the repayment provisions of Section 16351 of the Government Code and the interest provisions of Section 16314 of the Government Code.

SEC. 3. Section 25173.7 of the Health and Safety Code 6 is amended to read:

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- 25173.7. (a) It is the intent of the Legislature that funds deposited in the Toxic Substances Control Account shall be appropriated in the annual Budget Act each year 10 in the following manner:
- (1) Not less than six million seven hundred fifty thousand dollars (\$6,750,000) to the Site Remediation Account in the General Fund for direct site remediation 14 costs, as defined in Section 25337. The amount specified 15 in this paragraph shall be increased in any fiscal year by amount of increased revenues specified by the Legislature in the Budget Act for that fiscal year pursuant 18 to subdivision (f) of Section 25205.6.
- (2) Not less than four hundred thousand 20 (\$400,000) to the Expedited Site Remediation Trust Fund in the State Treasury, created pursuant to subdivision (a) of Section 25399.1, for purposes of paying the orphan share of response costs pursuant to Chapter 6.85 (commencing with Section 25396).
- (3) Not more than five hundred thousand dollars 26 (\$500,000) for purposes of the administration collection of the fees specified in paragraph (14) of subdivision (b) of Section 25173.6.
- (4) Commencing with the 1999-2000 fiscal year and 29 30 annually thereafter, not less than one million fifty thousand dollars (\$1,050,000) for purposes of establishing implementing a program pursuant to 32 25244.15.1, 25244.17.1, 25244.17.2, 25244.22, and 25244.24 to encourage hazardous waste generators to implement 34 pollution prevention measures. Funds not appropriated 35 as specified in paragraphs (1) to (4), inclusive, may be appropriated for any of the purposes specified 37 subdivision (b) of Section 25173.6, except the purposes 38 specified in subparagraph (C) of paragraph (1) of, and paragraph (14) of, subdivision (b) of Section 25173.6.

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(b) The amounts specified in paragraphs (1) to (3), inclusive, of subdivision (a) are the amounts that the Legislature intends to appropriate for the 1998-99 fiscal year for the purposes specified in those paragraphs, and 5 the amount specified in paragraph (4) of subdivision (a) 6 is the amount the Legislature intends to appropriate for the 1999–2000 fiscal year for the purposes specified in that paragraph. Beginning with the 1999-2000 fiscal year, and for each fiscal year thereafter, the amounts specified in 10 paragraphs (1) to (3), inclusive, of subdivision (a), and beginning with the 2000-01 fiscal year, and for each fiscal vear thereafter, the amount specified in paragraph (4) of 12 13 subdivision (a) shall be adjusted annually to reflect 14 increases or decreases in the cost of living during the prior 15 fiscal year, as measured by the Consumer Price Index 16 issued by the Department of Industrial Relations or by a 17 successor agency. 18

SEC. 4. Section 25205.15 of the Health and Safety 19 Code is amended to read:

25205.15. (a) Except for the first four manifests used in a calendar year by a business with less than 100 employees, and except as provided in subdivision (b), the department shall impose a fee of twelve dollars (\$12) for each California Uniform Hazardous Waste Manifest form 25 used on or before June 30, 1998, by any person in the following manner:

- (1) The Governor may order the department 28 refund three-quarters of the amount of manifest fees paid on manifests used during the 1991 calendar year.
 - (2) (A) On and after the 1992 calendar year, for all manifests used on or before June 30, 1998, the manifest fee shall be assessed on all manifests used in the calendar vear ending prior to the start of the fiscal year in which the billing occurs.
- 35 (B) Notwithstanding subparagraph (A),the 36 department may bill a person for a manifest used from January 1, 1998, to June 30, 1998, inclusive, during the 37 period beginning January 1, 1999, and ending June 30, 38 1999, inclusive.

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(b) The manifest fee for any manifest that is used on or before June 30, 1998, solely for wastes that are to be recycled is six dollars (\$6) and the total amount of manifest fees paid in a calendar year for these manifests shall not exceed five thousand dollars (\$5,000) for each hazardous waste identification number issued either by the department or the Environmental Protection Agency.

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- (c) Except as provided in paragraph (3), after June 30, 10 1998, in addition to any fees to cover printing and distribution costs, the department shall impose a manifest fee of seven dollars and fifty cents (\$7.50) for each California Hazardous Waste Manifest form or electronic 14 equivalent used after June 30, 1998, by any person, in the 15 following manner:
- (1) Except as provided in paragraph (2), on and after July 1, 1998, the department shall bill generators for each 18 California Uniform Hazardous Waste Manifest form, 19 manifest number, or electronic equivalent used after June 30, 1998. The billing frequency specified by the department may range from monthly to annually, with 22 the payment by the generator required within 30 days 23 from the date of receipt of the billing, and shall be determined based on consultation with the regulated community. In preparing the bills, the department shall distinguish between manifests used solely for recycled and those hazardous wastes used for nonrecycled hazardous wastes. In determining the billing frequency, the department may take into account each person's volume of manifest usage.
 - (2) On or before July 1, 2000, the department shall determine if revenues from the manifest fee as collected pursuant to paragraph (1) will equal or exceed one million seven hundred thousand dollars (\$1,700,000) for the 1999–2000 fiscal year. If the department determines that the manifest fee revenues will not equal or exceed one million seven hundred thousand dollars (\$1,700,000) for the 1999-2000 fiscal year, the department shall do the following:

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(A) Commencing July 1, 2000, implement a system to collect the manifest fee at the time of original sale of the distribution of manifest or numbers electronic equivalent to users by the department for all manifests that will be used after June 30, 2000.

- (B) On or before July 1, 2000, implement a system for the use of manifests that distinguishes between manifests used solely for transporting hazardous wastes that are recycled and manifests used for transporting waste for any other purpose.
- (3) (A) The manifest fee shall not be collected on the 12 use of California Hazardous Waste Recycling Manifests 13 that are used after June 30, 1998, solely for hazardous 14 wastes that are recycled.
- (B) If a person uses a manifest that reports that it is 16 being used for hazardous wastes that are recycled for other types of hazardous waste, the person shall pay the 17 18 manifest fee provided for in this subdivision and an additional error correction fee of twenty dollars (\$20) per 20 manifest, as required pursuant to Section 21 However, the department shall provide the manifest user with a reasonable opportunity to notify the department 23 of any incorrect use of the recycling manifest and provide 24 department with the appropriate manifest payment without additional fines, penalties, or payment of the error correction fee. 26
- (4) The department may adopt regulations 28 implement and administer the manifest fee system imposed pursuant to this subdivision.
- 30 (d) The department shall expend the sum of one dollars (\$1,000,000) from the manifest deposited in the Hazardous Waste Control Account, upon appropriation by the Legislature in the annual Budget 34 Act, to cover the one-time cost of implementing changes to the hazardous waste manifest tracking system during 36 the 1998–99 fiscal year.
- (e) The manifest fees shall be deposited in 37 38 Hazardous Waste Control Account and be available for expenditure, upon appropriation by the Legislature.

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1 SEC. 4.5. Section 25205.15 of the Health and Safety 2 Code is amended to read:

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- 25205.15. (a) Except for the first four manifests used in a calendar year by a business with less than 100 employees, and except as provided in subdivision (b), the department shall impose a fee of twelve dollars (\$12) for each California Uniform Hazardous Waste Manifest form used on or before June 30, 1998, by any person in the following manner:
- (1) The Governor may, in his or her discretion, order the department to refund three-quarters of the amount of manifest fees paid on manifests used during the 1991 calendar year.
- (2) (A) On and after the 1992 calendar year, for all manifests used on or before June 30, 1998, the manifest fee shall be assessed on all manifests used in the calendar year ending prior to the start of the fiscal year in which the billing occurs.
- (B) Notwithstanding subparagraph (A), department may bill a person for a manifest used from January 1, 1998, to June 30, 1998, inclusive, during the period beginning January 1, 1999, and ending June 30, 1999, inclusive.
- (b) The manifest fee for any manifest that is used on 25 or before June 30, 1998, solely for wastes that are to be recycled is six dollars (\$6) and the total amount of manifest fees paid in a calendar year for these manifests shall not exceed five thousand dollars (\$5,000) for each hazardous waste identification number issued either by Environmental Protection the department or the Agency.
- (c) On and Except as provided in paragraph (3), after June 30, 1998, in addition to any fees to cover printing and distribution costs, the department shall impose a manifest 35 fee of seven dollars and fifty cents (\$7.50) for each 36 California Hazardous Waste Manifest form or electronic equivalent used after June 30, 1998, by any person, in the following manner:
- (1) Except as provided in paragraph (2), on and after 39 July 1, 1998, the department shall bill generators for each

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California Uniform Hazardous Waste Manifest form, manifest number, or electronic equivalent used after June 30, 1998. The billing frequency specified by the department may range from monthly to quarterly annually, with the payment by the generator required within 30 days from the date of receipt of the billing, and shall be determined based on consultation with the preparing 8 regulated community. In bills, 9 department shall distinguish between manifests 10 solely for recycled hazardous wastes and those used for nonrecycled hazardous wastes. In determining the billing 12 frequency, the department may take into account each 13 person's volume of manifest usage.

- (2) On or before July 1, 2000, the department shall determine if revenues from the manifest fee as collected 15 pursuant to paragraph (1) will equal or exceed one 16 million seven hundred thousand dollars (\$1,700,000) for 17 the 1999–2000 fiscal year. If the department determines that the manifest fee revenues will not equal or exceed one million seven hundred thousand dollars (\$1,700,000) for the 1999–2000 fiscal year, the manifest fee department shall instead, commencing July 1, 2000, be collected implement a system to collect the manifest fee at the time of original sale of the manifest or distribution of manifest equivalent to users numbers or electronic by department for all manifests that will be used after June 30, 1998 2000. In developing this system, the department shall consult with the regulated community and shall take into consideration the potential economic effects that a system of collecting manifest fees at the point of original sale may have on generators and transporters.
- (3) (A) The manifest fee shall not be collected on the 32 use of California Hazardous Waste Recycling Manifests that are used solely for hazardous wastes that are 34 35 recycled.
- (B) On and after January 1, 1999, the manifest fee for 36 37 each California Uniform Hazardous Waste Manifest form used after December 31, 1998, solely for hazardous waste derived from air compliance solvents, shall be three

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dollars and fifty cents (\$3.50). This fee is in addition to any fees charged to cover printing and distribution costs.

(4) On or before June 30, 1998, the The department shall implement a system for the use of manifests that, after that date January 1, 1999, distinguishes between among recycling manifests used solely for hazardous wastes that are to be recycled, manifests used solely to transport hazardous waste derived from air compliance solvents, and general manifests that may be used for 10 transporting waste for any purpose.

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- (5) (A) If a person uses a recycling manifest that is designated for recycled hazardous wastes for erroneously reports on a California Uniform Hazardous 14 Manifest that the manifest is being used for the transport 15 of hazardous wastes that are being shipped for recycling 16 or for the transport of hazardous wastes derived from air compliance solvents rather than the transport of other 18 types of hazardous waste, the person shall pay the seven dollars and fifty cents (\$7.50) manifest fee provided for in 20 this subdivision and an additional error correction fee of twenty dollars (\$20) per manifest, as required pursuant to Section 25160.5. However,
- (B) Notwithstanding subparagraph (A), the 24 department shall provide the manifest user with reasonable opportunity to notify the department of any incorrect use of the recycling a manifest, as described in subparagraph (A), and to provide the department with the appropriate manifest fee payment without additional fines, penalties, or payment of the error correction fee.
 - (6) The department regulations may adopt to implement and administer the manifest fee imposed pursuant to this subdivision.
- 33 (d) (1) The department shall expend the sum of one 34 million dollars (\$1,000,000) from the manifest fees deposited in the Hazardous Waste Control Account, upon 35 appropriation by the Legislature in the annual Budget Act, to cover the one-time eosts cost of implementing 37 changes to the hazardous waste manifest tracking system 38 during the 1998–99 fiscal year.

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(2) On and after July 1, 1999, commencing with 1999–2000 fiscal year and annually thereafter, the department shall expend, upon appropriation by the 4 Legislature in the annual Budget Act, not less than one million fifty thousand dollars (\$1,050,000) from the manifest fees, deposited in the Hazardous Waste Control Account, to establish a program to encourage hazardous generators to implement pollution prevention measures. The program shall be administered pursuant to administrative and expenditure criteria to be established 10 by the Legislature. 12

- (e) The manifest fees shall be deposited in 13 Hazardous Waste Control Account and be available for expenditure, upon appropriation by the Legislature.
- (f) For purposes of this section, "air compliance 16 solvent" means a solvent, including aqueous solutions, that are required or approved for use by regulations 18 adopted by the State Air Resources Board, an air pollution 19 control district, or an air quality management district, to 20 meet air emission standards adopted by that board or district and, pursuant to those regulations, is required to 22 be used instead of another solvent that was used and recycled prior to the adoption of those regulations.
- SEC. 5. Section 25244.13 of the Health and Safety 24 25 Code is amended to read:
- 26 25244.13. The Legislature finds and declares 27 follows:
- (a) Existing law requires the department and the State Water Resources Control Board to promote the reduction 29 30 generated hazardous waste. of This policy, combination with hazardous waste land disposal bans, requires the rapid development of new programs and incentives for achieving the goal of optimal minimization the generation of hazardous wastes. 34 of 35 improvements and additions to the state's hazardous 36 waste reduction program are required to be made if these goals are to be achieved.
- 38 (b) Hazardous waste source reduction provides substantial benefits to the state's economy by maximizing use of materials, avoiding generation of waste materials,

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improving business efficiency, enhancing revenues of companies that provide products and services in the state, 3 increasing the economic competitiveness of businesses 4 located in the state, and protecting the state's precious 5 and valuable natural resources.

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- (c) It is the intent of the Legislature to expand the state's reduction hazardous waste source activities beyond those directly associated with source reduction evaluation reviews and plans. The expanded program, 10 which is intended to accelerate reduction in hazardous waste generation, shall include programs to promote 12 implementation of reduction measures source using education, outreach, and other effective voluntary 14 techniques demonstrated in California or other states.
- (d) It is the intent of the Legislature for the 16 department to maximize the use of its available resources 17 in implementing the expanded source reduction cooperation 18 program through with other entities. including, but not limited to, CUPAs, small business 19 20 development corporations, business environmental other assistance centers. and regional and local government environmental programs. To the extent 23 feasible, shall the department utilize cooperative 24 programs with entities that routinely contact small 25 business to expand its support of small business source 26 reduction activities.
 - (e) It is the goal of this article to do all of the following:
 - (1) Reduce the generation of hazardous waste.
- the release into the environment 30 chemical contaminants which have adverse and serious health or environmental effects.
- (3) Document hazardous waste management 33 information and make that information available to state 34 and local government.
- (f) It is the intent of this article to promote the 36 reduction of hazardous waste at its source, and wherever source reduction is not feasible or practicable, 38 encourage recycling. Where it is not feasible to reduce or recycle hazardous waste, the waste should be treated in

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an environmentally safe manner to minimize the present and future threat to health and the environment.

- (g) It is the intent of the Legislature not to preclude the regulation of environmentally harmful releases to all including air, land, surface water, groundwater, and to encourage and promote the reduction of these releases to air, land, surface water, and groundwater.
- 9 (h) It is the intent of the Legislature to encourage all 10 state departments and agencies, especially the State Water Resources Control Board, the California regional 12 water quality control boards, the State Air Resources 13 Board, the air pollution control districts, and the air 14 quality management districts, to promote the reduction 15 of environmentally harmful releases to all media.
- SEC. 6. Section 25244.14 of the Health and Safety 16 17 Code is amended to read:
- 18 25244.14. For purposes of this article, the following 19 definitions apply:
- (a) "Advisory committee" means the California 21 Source Reduction established Advisorv Committee pursuant to Section 25244.15.1.
- (b) "Appropriate local agency" means a county, city, 24 or regional association that has adopted a hazardous waste 25 management plan pursuant to Article 3.5 (commencing with Section 25135).
- approaches" (c) "Hazardous management waste 28 means approaches, methods, and techniques of managing handling generation and of hazardous including source reduction, recycling, and the treatment of hazardous waste.
- (d) "Hazardous 32 waste management performance 33 report" or "report" means the report required by 34 subdivision (b) of Section 25244.20 to document and evaluate the results of hazardous waste management 36 practices.
- (e) (1) "Source reduction" 37 means one of the 38 following:
- 39 (A) Any action that causes a net reduction in the generation of hazardous waste.

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(B) Any action taken before the hazardous waste is generated that results in a lessening of the properties which cause it to be classified as a hazardous waste.

- (2) "Source reduction" includes, but is not limited to, all of the following:
- (A) "Input change," which means a change in raw materials or feedstocks used in a production process or operation so as to reduce, avoid, or eliminate the generation of hazardous waste.
- (B) "Operational improvement," which 11 improved site management so as to reduce, avoid, or 12 eliminate the generation of hazardous waste.
- which means a (C) "Production process change," 14 change in a process, method, or technique which is used 15 to produce a product or a desired result, including the 16 return of materials or their components, for reuse within the existing processes or operations, so as to reduce, avoid, or eliminate the generation of hazardous waste.
- (D) "Product reformulation," which means 20 in design, composition, or specifications of end products, including product substitution, so as to reduce, avoid, or eliminate the generation of hazardous waste.
- (3) "Source reduction" does not include any of the 24 following:
 - (A) Actions taken after a hazardous waste is generated.
- (B) Actions that merely concentrate the constituents 28 of a hazardous waste to reduce its volume or that dilute hazardous reduce hazardous waste to its characteristics.
- 31 (C) Actions that merely shift hazardous wastes from 32 one environmental medium to another environmental 33 medium.
 - (D) Treatment.

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(f) "Source reduction evaluation review and plan" or 36 "review and plan" means a review conducted by the 37 generator of the processes, operations, and procedures in 38 use at a generator's site, in accordance with the format established by the department pursuant to subdivision SB 1916 **— 20 —**

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(a) of Section 25244.16, and that does both of the following:

- 3 (1) Determines any alternatives to, or modifications of, the generator's processes, operations, and procedures that may be implemented to reduce the amount of hazardous waste generated.
- (2) Includes a plan to document and implement source reduction measures for the hazardous wastes specified in paragraph (1) that are technically feasible economically practicable 10 and for the generator, including a reasonable implementation schedule.
- 12 (g) "SIC Code" has the same meaning as defined in 13 Section 25501.
- (h) "Hazardous waste," "person," "recycle," "treatment" have the same meaning as defined in Article 16 2 (commencing with Section 25110).
- SEC. 7. Section 25244.15.1 is added to the Health and 17 18 Safety Code, to read:
- 25244.15.1. (a) The 19 California Source Reduction 20 Advisory Committee is hereby created and consists of the 21 following members:
- 22 (1) The Executive Director of the State Air Resources 23 Board, as an ex officio member.
- Director (2) The Executive of the State Water 25 Resources Control Board, as an ex officio member.
- (3) The Director of Toxic Substances Control, as an ex 26 27 officio member.
- 28 (4) The Executive Director of the Integrated Waste Management Board, as an ex officio member.
 - (5) The Chairperson of the California Environmental Policy Council established pursuant to Section 71017 of the Public Resources Code, as an ex officio member.
- (6) Ten public members with experience in source 34 reduction as appointed by the department. These public members shall include all of the following:
- (A) Two representatives of local governments from 36 37 different regions of the state.
- (B) One representative of a publicly owned treatment 38 39 works.
- (C) Two representatives of industry. 40

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(D) One representative of small business.

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- (E) One representative of organized labor.
- (F) Two representatives of statewide environmental advocacy organizations.
- (G) One representative of a statewide public health advocacy organization.
- (7) The department may appoint up to two additional public members with experience in source reduction and detailed knowledge of one of the priority categories of generators selected in accordance with Section 25244.17.1.
- (b) The advisory committee shall select one member 13 to serve as chairperson.
- (c) The members of the advisory committee shall 15 serve without compensation, but each member, other 16 than officials of the state, shall be reimbursed for all reasonable expenses incurred in the performance of his or her duties, as authorized by the department.
- advisory committee (d) The shall meet 20 semiannually to provide a public forum for discussion and deliberation matters on pertaining the 22 implementation of this chapter.
- (e) The advisory committee's responsibilities shall 24 include, but not be limited to, the following:
 - providing consultation (1) Reviewing and and guidance in the preparation of the work plan required by Section 25244.22.
- 28 (2) Evaluating the performance and progress of the 29 department's source reduction program.
 - recommendations (3) Making the department to concerning program activities and funding priorities, and legislative changes, if needed.
- (f) The advisory committee established by this section 34 shall be in existence until April 15, 2002, by which date the 35 department shall, in consultation with the 36 committee, evaluate the role and activities of the advisory committee and determine if the committee is beneficial to the implementation of this article. On and after April 15, 2002, the advisory committee shall continue to exist and operate to the extent that the department,

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consultation with the advisory committee, determines the advisory committee continues to be beneficial to the 3 operation of the department's source reduction 4 programs.

- 5 SEC. 8. Section 25244.17.1 is added to the Health and 6 Safety Code, to read:
- 25244.17.1. The department shall establish a technical assistance and outreach program 9 implementation of model source reduction measures in priority industry categories. 10
- (a) Every two years, in the work plan required by 12 Section 25244.22, the department shall, in consultation 13 with the advisory committee, select at least two priority 14 categories of generators by SIC Code. At least one 15 selected category of generators shall be taken from the 16 list of categories previously selected by the department under Section 25244.18. At least one selected category of generators shall be a category that consists primarily of small businesses.
- (b) For each selected priority industry category, the 21 department implement a cooperative shall 22 reduction technical assistance and outreach program to 23 include the following elements:
- (1) The department shall use available resources, 25 including reports prepared pursuant to paragraph (4) of subdivision (a) of Section 25244.18 and information on source reduction methods from federal, state, and local governments and industry associations and industry 29 members, to identify a set of model source reduction 30 measures for each industry category.
- department shall determine, 32 assistance of the advisory committee, the most effective technical assistance and outreach methods to promote 34 implementation of the model source reduction measures 35 identified in paragraph (1).
- (3) The department shall develop a plan and schedule implement the technical assistance and 37 to outreach measures before the next biennial work plan. measures may include, but are not limited to, all of the following:

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(A) Holding, presenting cosponsoring at, or conferences, workshops, technology fairs, and other promotional events.

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- and (B) Developing distributing educational materials, such as short descriptions of successful source reduction projects.
- (C) Developing checklists. training manuals. technical resource manuals and using those resources to train CUPAs, small business development corporations, business environmental assistance centers. and regional and local government environmental programs.
- (D) Preparing and distributing resource lists, such as 13 lists of vendors, consultants, or providers of financial assistance for source reduction projects.
- (E) Serving an information clearinghouse as to 16 support telephone and onsite consultations with businesses and local governments.
- that include primarily (4) For industry categories technically complex 19 large or businesses, the source 20 reduction technical assistance and outreach program shall emphasize activities involve direct that communication between department staff and industry members. For these industry categories, the department shall communicate with representatives of 80 percent of 25 the state's companies in the category. For categories that consist primarily of small businesses, the cooperative source reduction program shall emphasize providing 28 industry-specific training and resources to CUPAs, small development corporations. 30 environmental assistance centers, and other regional and local government environmental programs for use in their inspections and other direct communications with businesses.
- 34 (c) While conducting activities under this section, the 35 department shall coordinate its activities with appropriate industry and professional associations. 36
- (d) The department shall coordinate activities under 37 38 this section with grants made under Sections 25244.5 and 25244.11.5.

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1 SEC. 9. Section 25244.17.2 is added to the Health and Safety Code, to read:

- 3 25244.17.2. The department shall expand the reduction program department's source to provide 5 source reduction training and resources to CUPAs, small development 6 business corporations, business environmental assistance centers, and other regional and local government environmental programs so that they 9 provide technical assistance to 10 identifying and applying methods of source reduction.
- (a) The program expanded pursuant to this section 12 shall emphasize activities necessary to implement Sections 25244.17 and 25244.17.1. 13
- 14 (b) The department shall determine, in consultation 15 with the advisory committee, the most effective methods promote implementation of source reduction 16 to 17 education programs by CUPAs, small business 18 development environmental corporations, business assistance and other regional centers. and local 20 government environmental programs. **Program** 21 elements may include, but are not limited to, all of the 22 following:
- (1) Sponsoring workshops, conferences, technology 24 fairs, and other training events.
- (2) Sponsoring regional training groups, such as the 26 regional hazardous waste reduction committees.
- (3) Developing and distributing educational 28 materials, such as short descriptions of successful source reduction projects and materials explaining how source 30 reduction has been used by businesses to achieve compliance with environmental laws enforced by local governments.
- 33 (4) Developing site review checklists, training 34 manuals, and technical resource manuals and using those 35 resources to train CUPAs, small business development 36 corporations, business environmental assistance centers, and other regional and local government environmental 37 38 programs.

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(5) Preparing and distributing resource lists such as lists of vendors, consultants, or providers of financial assistance for source reduction projects.

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- (6) Serving as an information clearinghouse to support telephone and onsite consultants with local governments.
- (c) The department shall coordinate activities under this section with grants made under Section 25244.11.5.
- (d) Each fiscal year, the department shall provide training and information resources to at least 90 percent of CUPAs.
- SEC. 10. Section 25244.22 of the Health and Safety 12 Code is amended to read:

25244.22. Commencing May 1, 2000, and on or before 14 January 15 of every other year thereafter, the department shall prepare, and make available for public review 15 16 within five days thereafter, a draft work plan for the department's operations and activities in carrying out this 18 article. The department shall prepare the work plan in consultation with the advisory committee and with other 20 interested parties, including local government, industry, 21 health, and environmental organizations. holding a public meeting of the advisory committee to discuss the draft work plan, the department shall finalize the work plan on or before June 15, 2000, and on or before April 1 of every other year thereafter. The department may include this work plan within the report required pursuant to Section 25171. This work plan shall include, but not be limited to, all of the following information:

(a) A summary analysis of readily available data on the generation 30 state's hazardous waste and management patterns. The analysis shall include information from various data sources including hazardous waste manifests, biennial generator reports, and United States 34 Environmental Agency Protection **Toxics** Release 35 Inventory reports. The department shall estimate 36 quantities of hazardous waste generated in the state, by hazardous waste stream, the amounts of hazardous waste generated in the state by industry SIC Code, and the amounts of hazardous waste state generators sent offsite for management, by management method.

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(b) An evaluation of hazardous waste source reduction progress in this state, using the data summary analysis prepared pursuant to subdivision (a).

- (c) Recommendations for legislation.
- or private (d) Identification of any state, federal, financial economic and incentives that can best accelerate and maximize the research and development source reduction and other hazardous management technologies and approaches.
- 10 (e) The status, funding, and results of all research 11 projects. 12
- (f) A detailed summary of the extent to which the statewide goal of 5 percent per year reduction of the 13 14 generation of hazardous wastes, pursuant to subdivision 15 (e) of Section 25244.15, has been attained, and a detailed 16 summary of the extent to which different categories of 17 facilities have attained the numerical goals established 18 pursuant to paragraph (9) of subdivision (b) of Section 19 25244.19. This summary, which shall use the data 20 summary analysis prepared pursuant to subdivision (a), 21 shall include an evaluation by the department of the 22 reasons why these goals have or have not been attained, including an evaluation of the impact of economic growth or decline and changes in production patterns, and a list appropriate recommendations designed of attainment of these goals.
- 27 (g) An outline of the department's operations 28 activities under this article proposed for the next The department shall use the two-vear period. 30 summary analysis prepared pursuant to subdivision (a) to select hazardous waste stream and industries for source 32 reduction efforts. When identifying activities inclusion in the work plan, the department shall also 34 consider potential benefits to human health 35 environment, available resources, feasibility of applying 36 source reduction techniques to reduce selected hazardous waste streams and to reduce hazardous wastes 37 generated by selected industries, and availability of 38 related resources from other entities, such as other states,

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the federal government, local governments, and other organizations.

- 3 SEC. 11. Section 25244.24 is added to the Health and Safety Code, to read:
- 5 25244.24. (a) For purposes of this section the following definitions shall apply: 6
- (1) "Program" means the voluntary program reduce hazardous waste generation established by this 9 section.

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- (2) "Release" means a release of a chemical into the 11 environment in any manner and by any means. "Release" includes, but is not limited to, any release authorized or 12 permitted pursuant to a statute, ordinance, regulation, or 14 rule of any federal, state, local, or regional agency or government or by a permit, license, variance or other 16 authorization from the agency or government.
- (b) On or before October 1, 2000, the department in consultation with the advisory committee 19 established pursuant to Section 25244.15.1, conduct an 20 inventory and analysis of low-cost voluntary programs 21 that are, or have been conducted by other states, the 22 federal government, or local government entities to 23 reduce generation hazardous waste and other 24 environmental releases of toxic chemicals, and shall 25 develop recommendations for programs that would be 26 effective and feasible in California, based on 27 inventory and analysis.
- 28 (c) In consultation with the advisory committee, large 29 businesses, and the public, the department shall develop voluntary program further reduce 30 a low-cost to 31 generation of hazardous waste by large businesses in 32 California. The program shall be designed to promote 33 cooperative relationships between California business 34 and department, while the creating a significant 35 environmental benefit from reduced hazardous waste 36 generation. The department shall include the program in 37 the work plan required by Section 25244.22 on or before 38 January 15, 2002.

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(d) In designing and implementing the program the department shall take into consideration all the following:

- (1) Estimates of the volumes of potential reductions of hazardous waste generation and other possible program benefits.
- (2) The types of facilities expected to participate and their current hazardous waste generation and releases of toxic chemicals into the environment.
- (3) The potential for reductions in hazardous waste 10 generation resulting in an increase in releases of toxic chemicals to a different environmental medium. 12
- (4) The potential public health and environmental 14 benefits of the program.
- (5) Methods publicizing the for program 16 encouraging facilities throughout the state to participate in the program.
- (6) Providing appropriate public recognition of successfully 19 facilities that are participating the program.
 - (7) Establishing a means for monitoring the progress that each facility participating in the program is making toward implementing the program.
- (8) Establishing methods for evaluating the 25 implementation of the inventory, analysis, and program and for reporting on the progress of the program in the work plan required pursuant to Section 25244.22.
- (9) Procedures for providing technical 29 program participants to assist with the implementation of the program.
- (e) Participation in the program shall not create a 32 presumption participating facility that the 33 determined that any chemical release reduction measure 34 is technically feasible economically practicable or pursuant to any other provision of law.
- (f) Actions of the department pursuant to this section 36 are exempt from the requirements of Chapter 3.5 37 38 (commencing with Section 11340) of Division 3 of Title 39 2 of the Government Code.

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(g) If, on the basis of the inventory and analysis 1 2 required by in subdivision (b), the department finds that it is not possible to design and implement, at relatively 4 low cost, a voluntary program to promote cooperative relationships between California business and department, while creating a significant environmental benefit, and the advisory committee concurs with this finding, the department is not required to implement the 9 program.

- 10 SEC. 12. Section 57000 of the Health and Safety Code 11 is amended to read:
- 12 57000. For purposes of this division, the following terms have the following meaning: 13

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- (a) "Agency" means the California Environmental 15 Protection Agency.
- "Council" means the California Environmental 16 17 Policy Council established by Section 71017 of the Public 18 Resources Code.
- (c) "Secretary" 19 means the Secretary for 20 Environmental Protection.
- SEC. 13. Section 57007 is added to the Health and 21 22 Safety Code, to read:
- 57007. (a) The agency, and the offices, boards, and 24 departments within the agency, shall institute quality government programs to achieve increased levels of 26 environmental protection and the public's satisfaction improving the quality, efficiency, 27 through 28 cost-effectiveness of the state programs that implement and enforce state and federal environmental protection 30 statutes. These programs shall be designed to increase the of environmental protection while expediting producing savings. 32 decisionmaking and cost secretary shall create an advisory group comprised of 34 state and local government, business, environmental, and 35 consumer representatives experienced in quality 36 management to provide guidance in that effort. The secretary shall develop a model quality management program that local agencies charged with implementing air quality, water quality, toxics, solid waste,

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hazardous waste laws and regulations may use at their discretion.

- 3 Section (b) Notwithstanding 7550.5 of the the each Government Code. agency, and board. 5 department, and office within the agency, shall submit a yearly report to the Governor and Legislature, as part of the annual budget process, reporting on the extent to these state agencies have attained 9 performance objectives, and on their continuous quality 10 improvement efforts.
- (c) Nothing in this section abrogates any collective 12 bargaining agreement or interferes with any established employee rights.
- (d) For purposes of this section, "quality government 15 program" means all of the following:
- (1) A process for obtaining the views of employees, the regulated community, the public, environmental 18 organizations, and governmental officials with regard to the performance, vision, and needs of the agency implementing the quality government program.
 - (2) A process for developing measurable performance objectiveness using the views of the persons organizations specified in paragraph (1).
- (3) Processes for continually improving quality and for agency information 25 training personnel, using the obtained from implementing paragraphs (1) and (2).
- 14. *Section* 4.5 of this bill incorporates 28 amendments to Section 25205.15 of the Health and Safety 29 Code proposed by both this bill and AB 2067. It shall only 30 become operative if (1) both bills are enacted and 31 become effective on or before January 1, 1999, (2) each 32 bill amends Section 25205.15 of the Health and Safety Code, and (3) this bill is enacted after AB 2067, in which 34 case Section 4 of this bill shall not become operative.
- 35 SEC. 15. No reimbursement is required by this act 36 pursuant to Section 6 of Article XIII B of the California 37 Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty

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for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition 3 of a crime within the meaning of Section 6 of Article XIII B of the California Constitution. 5 Notwithstanding Section 17580 of the Government

6 Code, unless otherwise specified, the provisions of this act shall become operative on the same date that the act

8 takes effect pursuant to the California Constitution.